



## Five Questions With Matt Hall, Hill Investment Group, St. Louis

The Five Questions interview series features advisors throughout the BAM ALLIANCE community sharing their insights on different topics of wealth planning and investing. In this interview, Matt Hall of Hill Investment Group discusses why Hill's "take the long view" approach does more than help investors achieve their goals.

### **The BAM ALLIANCE: What is the long view?**

**Matt:** The long view is at the heart of everything we do. People take the long view when they focus their attention on a much bigger prize, one that doesn't come tomorrow but further on down the road. My perspective has been that few people actually do this. So, we help clients learn to focus on the things that will be important over the long term while avoiding the distractions of the day.

A few years ago, we designed some "long view" T-shirts. Some of our clients took the T-shirts with them on vacation. They sent us photos from places where there was a different vista with the message, "Still taking the long view." That made us happy because it showed us they are keeping the good stuff in mind, not the apocalypse du jour.

### **BA: Is it difficult for people to stick with their plan when times are extremely good or really bad?**

**Matt:** In my mind, it's a question of discipline. You can be highly intelligent but not have the discipline to do what you need to do, like rebalance, tax-loss harvest, and buy low and sell high. While I have met a few people who can do all that on their own, it's really a question of whether that is the best use of someone's time. When you're in a calm environment, it's easy to say you'll make good financial decisions, but it's much harder to do when the road gets rocky and everyone around you is in a panic.

Last year is a great example. The U.S. and world markets were way up, but there were many reasons why someone could have missed out on that, such as all the different adversities reported on in 2012. In that time frame, it was really important for us to be relentless motivators and remind people that capitalism works. Think back to the famous phrase "irrational exuberance." That was a time to be a relentless agitator — to bring people back down to earth and remind them that risk does sometimes show up.

### **BA: Why did you create a series of symbols to explain the long view?**

**Matt:** We challenged ourselves to explain the long view in a way that people would remember. So, we created a visual language that has three symbols, and from our perspective, they have been successful in helping people understand what taking the long view really means.

For example, we use a coffee cup to symbolize that when you have a sound investment approach, you can get on with your life. When you're enjoying a cup of coffee, perhaps you're also contemplating the life you'll have when you are spending less time worrying about things you can't control. We want clients to be freed up to consider what they'll do with their extra time. Because they won't read *The Wall Street Journal* the same way, they won't read *Barron's* or any money magazine the same way.

Once you have a sound investment approach, and that includes knowing your fees, returns and allocation, you can concentrate on the things that are most important to you, like family or philanthropy. We consider fees, returns and allocations to be like vital signs. Fees are how much you are paying for whatever you're supposed to be getting. Returns are how you're doing. Allocation is your basic exposure to stocks and bonds.

We ask every person we meet with: Do you know your fees, returns and allocation? No one ever knows all three. Wall Street does a really good job of hiding the answers to those questions. Fees are usually too high, returns are not all that good and they have no idea what their allocation is because they don't have a real plan. So, part of what we're trying to do is: 1) get clarity on those things and 2) improve the answers.

**BA: When does the long view begin to take effect?**

**Matt:** I would say there's a lot of stress, anxiety and confusion attached to most initial meetings. We try to bring a level of calm but assertive direction to that initial meeting. Sometimes, people need to know you understand them and want to help them before getting into the investment approach. We've had people say to us, "I had a change I wanted to make to one of our accounts. We tried to make the change so many times, and no one seemed to care." That type of indifference troubles people.

In our initial meeting, we spend a lot of time really getting to know people. I think it works just by listening. About a year after that meeting, people go from being frustrated and uncertain to feeling confident and generally more optimistic about the future. They have a handle on their fees, returns and allocation and a clear understanding of the things that will affect their future returns. Overall, the "before" and "after" is pretty dramatic.

**BA: How does taking the long view shape your personal perspective?**

**Matt:** I can be carried away for a good week if I feel we met someone, made a huge impact and somehow improved their situation. Conversely, I think about all the money that's destroyed by speculation and that brings me down.

So every day, the mission I have is to help more people take the long view. To think about how much better it can be if they understand how to put the odds in their favor. That's what motivates me the most.

## About Matt Hall, Hill Investment Group St. Louis

Matt Hall is the cofounder and president of Hill Investment Group. He's the lead on all strategic matters for Hill, crafting the firm's vision and managing key relationships.

In 2005, Matt and Rick Hill created Hill Investment Group. In 2010, Matt launched LongView Partners as a new and concurrent venture. LongView is a pioneering partnership with industry partners, Bridgeway Capital Management and elite advisors.

Matt has led many training programs for top advisors and founded a peer group of advisors called Passive Investment Professionals. The group has more than 700 members from the U.S., U.K., New Zealand, Australia, Belgium, and Canada.

He holds a bachelor's degree from the University of Missouri–Columbia.

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